GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:1659
ANSWERED ON:11.03.2008
GROWTH OF SMALL AND MEDIUM ENTERPRISE
Badiga Shri Ramakrishna;Gadakh Shri Tukaram Gangadhar

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) the growth rate of Small and Medium Enterprises in the country during each of the last five years, year-wise;

(b) whether the growth rate of Small and Medium Enterprises in the country during the last few years is higher than the country's industrial sector;

(c) if so, the details thereof;

(d) whether the number of Micro, Small and Medium Enterprises have increased in the country during the last three years;

(e) if so, the details thereof the said period, State and Union Territories-wise; and

(f) the steps taken by the Government to enable Micro, Small and Medium Enterprises agro based industries to compete with multi-national companies and for increasing its exports?

Answer

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHABIR PRASAD)

(a) to (c): Based on the Index of Industrial Production for micro and small enterprises (MSEs), with base year 2001-02, the rate of growth of production of MSEs vis-Ã -vis the overall industrial sector in the country during last five years is given in the table below. As may be seen, the rate of growth of production in the MSE sector has been consistently higher than that of the overall industrial sector.

Sl. No.	Year	Rate of growth (%) MSE sector	Industry sector
1.	2002-2003	8.68	5.75
2.	2003-2004	9.64	7.02
3.	2004-2005	10.88	8.36
4.	2005-2006	12.32	8.15
5.	2006-2007	12.62	11.50

Since the medium enterprises were for the first time defined under the Micro, Small & Medium Enterprises Development Act, 2006 which came into force from. 2nd October 2006, information in respect of growth rate in the medium enterprise sector is not currently available.

(d) & (e): State/Union Territory-wise details of estimated number of MSE units (both registered and unregistered) functioning in the country during last three years are given in the Annexure.

(f): The programmes/schemes of the Ministry of MSME are primarily meant for increasing the productivity and share of MSE sector in the total manufacturing output and exports and enhance their competitiveness. Among these, the following recent initiatives taken for the promotion and development of MSEs are noteworthy:

(i) Policy Package for Stepping up Credit to Small and Medium Enterprises with the objective to double the credit flow to this sector in a period of 5 years;

(ii) Enactment of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 to facilitate promotion and development of MSMEs and enhancement of their competitiveness;

(iii) According priority to the Cluster-based approach for holistic and integrated development of the MSE sector;

(iv) Initiating the National Manufacturing Competitiveness Programme (NMCP) to address the technology, marketing and skill upgradation needs of the MSME sector; and

(v) Undertaking a Package for Promotion of MSEs which comprises of the proposals/schemes having direct impact on the promotion and development of the MSEs.